

# SENATE BILL 354

Q2  
SB 271/10 – B&T

11r0624

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By: **Senator Simonaire**  
Introduced and read first time: February 2, 2011  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Anne Arundel County – Property Tax Payment Deferral – Eligibility**

3 FOR the purpose of authorizing the governing body of Anne Arundel County to  
4 provide, by law, a certain payment deferral of the county property tax for  
5 certain residential real property; requiring the governing body of Anne Arundel  
6 County under certain circumstances to specify the duration and certain  
7 amounts, restrictions, and income and age eligibility requirements for the  
8 payment deferral; requiring the payment of certain deferred property taxes  
9 under certain circumstances; requiring the governing body of Anne Arundel  
10 County under certain circumstances to provide certain information in a  
11 taxpayer's annual property tax bill; requiring that a payment deferral be  
12 authorized by a certain written agreement to be recorded in certain land  
13 records; providing for a certain lien attachment under certain circumstances;  
14 providing for the application of this Act; and generally relating to property tax  
15 deferrals in Anne Arundel County for certain residential real property.

16 BY adding to  
17 Article – Tax – Property  
18 Section 10–204.6  
19 Annotated Code of Maryland  
20 (2007 Replacement Volume and 2010 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Tax – Property**

24 **10–204.6.**

25 **(A) NOTWITHSTANDING SUBTITLE 1 OF THIS TITLE, THE GOVERNING**  
26 **BODY OF ANNE ARUNDEL COUNTY MAY AUTHORIZE, BY LAW, A PAYMENT**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 DEFERRAL OF THE COUNTY PROPERTY TAX FOR RESIDENTIAL REAL PROPERTY  
2 OCCUPIED AS THE PRINCIPAL RESIDENCE OF THE OWNER.

3 (B) AN OWNER IS ELIGIBLE FOR A PAYMENT DEFERRAL UNDER  
4 SUBSECTION (A) OF THIS SECTION IF THE OWNER OR AT LEAST ONE OF THE  
5 OWNERS:

6 (1) HAS RESIDED IN THE DWELLING FOR A PERIOD OF AT LEAST 5  
7 CONSECUTIVE YEARS;

8 (2) (I) MEETS THE AGE ELIGIBILITY REQUIREMENTS  
9 DETERMINED UNDER SUBSECTION (C) OF THIS SECTION;

10 (II) HAS BEEN FOUND PERMANENTLY AND TOTALLY  
11 DISABLED AND HAS QUALIFIED FOR BENEFITS UNDER:

12 1. THE SOCIAL SECURITY ACT;

13 2. THE RAILROAD RETIREMENT ACT;

14 3. ANY FEDERAL ACT FOR MEMBERS OF THE UNITED  
15 STATES ARMED FORCES; OR

16 4. ANY FEDERAL RETIREMENT SYSTEM; OR

17 (III) HAS BEEN FOUND PERMANENTLY AND TOTALLY  
18 DISABLED BY A COUNTY HEALTH OFFICER OR THE BALTIMORE CITY  
19 COMMISSIONER OF HEALTH; AND

20 (3) MEETS THE INCOME ELIGIBILITY REQUIREMENTS  
21 DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.

22 (C) IF THE GOVERNING BODY OF ANNE ARUNDEL COUNTY AUTHORIZES  
23 A PAYMENT DEFERRAL UNDER THIS SECTION, THE GOVERNING BODY SHALL  
24 SPECIFY:

25 (1) THE MINIMUM AGE, NOT EXCEEDING 65 YEARS OF AGE, OF AN  
26 OWNER TO DETERMINE ELIGIBILITY FOR THE PAYMENT DEFERRAL;

27 (2) THE AMOUNT OF THE TAX THAT MAY BE DEFERRED, NOT  
28 EXCEEDING THE INCREASE IN THE COUNTY PROPERTY TAX FROM THE DATE THE  
29 TAXPAYER ELECTS TO DEFER THE PAYMENT OF THE TAX;

1           **(3) THE DURATION OF THE PAYMENT DEFERRAL UNDER**  
2 **SUBSECTION (A) OF THIS SECTION;**

3           **(4) RESTRICTIONS ON THE AMOUNT OF THE REAL PROPERTY**  
4 **ELIGIBLE FOR A PAYMENT DEFERRAL, EXCEPT THAT THE AMOUNT OF ELIGIBLE**  
5 **PROPERTY MAY NOT BE LESS THAN THE DWELLING AND CURTILAGE, AS**  
6 **DETERMINED BY THE SUPERVISOR;**

7           **(5) THE RATE OF INTEREST TO BE PAID ON THE COUNTY**  
8 **PROPERTY TAX PAYMENT FROM THE DUE DATE WITHOUT A DEFERRAL UNTIL**  
9 **THE DATE THAT THE COUNTY PROPERTY TAX IS PAID;**

10           **(6) THAT ANY MORTGAGEE OR BENEFICIARY UNDER A DEED OF**  
11 **TRUST BE ENTITLED TO RECEIVE NOTICE OF THE DEFERRAL AND OF THE**  
12 **AMOUNT OF TAX TO BE DEFERRED; AND**

13           **(7) THE LEVEL OF INCOME TO DETERMINE ELIGIBILITY FOR THE**  
14 **PAYMENT DEFERRAL.**

15           **(D) THE COUNTY PROPERTY TAX THAT IS DEFERRED UNDER THIS**  
16 **SECTION AND ANY INTEREST SPECIFIED IN SUBSECTION (C)(5) OF THIS SECTION**  
17 **ARE DUE:**

18           **(1) WHEN THE DEFERRAL ENDS AS SPECIFIED IN SUBSECTION**  
19 **(C)(3) OF THIS SUBSECTION;**

20           **(2) WHEN THE ELIGIBLE OWNER DIES; OR**

21           **(3) IMMEDIATELY ON TRANSFER OF OWNERSHIP OF THE**  
22 **PROPERTY FOR WHICH THE PROPERTY TAX HAS BEEN DEFERRED.**

23           **(E) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY SHALL SPECIFY**  
24 **THE CUMULATIVE AMOUNT OF THE DEFERRAL AND RELATED INTEREST IN THE**  
25 **TAXPAYER'S ANNUAL PROPERTY TAX BILL.**

26           **(F) (1) A LIEN SHALL ATTACH TO THE PROPERTY IN THE AMOUNT OF**  
27 **ALL DEFERRED TAXES AND INTEREST.**

28           **(2) THE LIEN SHALL REMAIN ATTACHED UNTIL THE DEFERRED**  
29 **TAXES AND INTEREST ARE PAID.**

30           **(G) (1) THE GOVERNING BODY OF ANNE ARUNDEL COUNTY SHALL**  
31 **AUTHORIZE THE DEFERRAL BY WRITTEN AGREEMENT.**

1                   **(2) THE AGREEMENT SHALL REFLECT THE TERMS AND**  
2 **CONDITIONS OF THE DEFERRAL, INCLUDING NOTICE OF THE LIEN.**

3                   **(3) THE AGREEMENT SHALL BE RECORDED IN THE LAND**  
4 **RECORDS OF THE COUNTY.**

5                   **(H) PENALTIES MAY NOT BE CHARGED DURING THE PERIOD OF THE**  
6 **DEFERRAL ON ANY TAX PAYMENTS DEFERRED UNDER THIS SECTION.**

7                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 June 1, 2011, and shall be applicable to all taxable years beginning after June 30,  
9 2011.